

## Appraisal Institute Urges Families To Protect Their Largest Investment



SHOWCASE  
*By Kelly*

**Daniel Ketcham**  
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The Appraisal Institute has issued consumer alerts, urging homeowners and homebuyers to recognize the risks associated with Web-based valuation estimates and to protect their assets.

The move was prompted by Internet valuation sites, such as the recently launched Zillow.com, that provide an estimated value of residential property based on information available from public records and other sources.

Unfortunately for consumers, the organization says, such sites may not consider the additional factors that an appraiser analyzes when appraising a house, such as:

- recent upgrades;
- modernized appliances;
- floor-plan utility; and
- age and condition of areas such as a basement or detached garages.

"Consumers use and reliance on Internet valuation sites is very risky", says Daniel Ketcham, MAI, SRA, local Nevada County professional real estate appraiser. "These sources only use averages and will not sufficiently account for unique features that your property may possess. Also known as Automated Valuation Models or AVM's, these may work well in suburbia, but certainly not in rural areas or areas of custom home neighborhoods." Best to rely on a professional appraiser," said Don Kelly, Vice President of Public Affairs for the Appraisal Institute. In regard to Internet sites, "They only give users a 'ballpark figure' of what their home is worth rather than a well-researched and unbiased opinion of value".

Appraisal Institute President Richard Powers, MAI, SRA, warns consumers that the real danger "is that someone will make

a real estate decision based on the site rather than getting someone to perform an actual appraisal. A free Internet valuation might be adequate if you want a quick estimate, but when making decisions about your largest investment, there is no substitute for an appraisal by an Appraisal Institute designated real estate appraiser." For assistance in selecting a qualified appraiser for your property, appraiser Daniel Ketcham suggest consumers visit the Appraisal Institute website at [www.appraisalinstitute.org](http://www.appraisalinstitute.org) where you can locate an appraiser that serves your particular area. ■

Daniel Ketcham welcomes questions on real estate valuation and appraisal issues. E-mail him at: [ketchams@sbcglobal.net](mailto:ketchams@sbcglobal.net).